

MR. SPEAKER : It is enough. Now, question No. 23. Shri Suresh Kalmadi is not there.

(Interruptions)*

MR. SPEAKER : Enough, enough. The Minister has taken note of your anxieties.

(Interruptions)*

MR. SPEAKER : He has taken note of it.

(Interruptions)*

MR. SPEAKER : I have said that nothing will go on record.

SHRI RAJESH PILOT : Sir, in today's Question List, questions no. 32 and 37 are pertaining to this. So, these two questions could be clubbed together and then we could have the answers for these questions. If you club both question no. 32 and 37 with this then all these questions could be answered.

MR. SPEAKER : You should have pointed it out earlier. It is late now. I have already called the next question. Now, if we could reach question no. 32 I will club question no. 37 also with that. So, please be brief now.

(Interruptions)

MR. SPEAKER : Shri Pilot has given a very good suggestion. Why are you not trying to save time so that we could reach question no. 32 ? I am trying to reach question no. 32. You please help me in reaching question no. 32.

(Interruptions)

German Telecom Companies

*24. SHRI SURESH PRABHU : Will the Minister of COMMUNICATIONS be pleased to state :

(a) whether during the visit of the Finance Minister to Germany in June, 1997, several German telecom companies pleaded with him to expedite the process of privatisation of basic telecom sectors in India;

(b) if so, whether any positive assurance was given by the Finance Minister in this regard; and

(c) if so, the steps being taken by the Government to step up the tempo of privatisation ?

* Not Recorded.

[Translation]

THE MINISTER OF COMMUNICATIONS (SHRI BENI PRASAD VARMA) : (a) No, Sir.

(b) and (c) Do not arise in view of (a) above.

[English]

SHRI SURESH PRABHU : Sir, our hon. Finance Minister visited Germany and I would like to quote what was reported there by the newspapers then.

"The German Telecom companies wanted the Indian Government to expedite the process of privatisation of basic telecom sector apparently as the major bidders had been left behind in bidding for the cellular and pager services."

This was reported in a newspaper on 5th June. This was pertaining to the visit of the Finance Minister to Germany. Some German Telecom companies said that they were left behind as a result of which they had not got a share in the privatisation of cellular and other basic telecom services and they are pressing for the privatisation of the telecom services.

Do we privatise the telecom sector because some companies abroad feel that they have not got an adequate share ? Since they have been left behind, should we open some more sectors so that they could participate in this? Is it the policy of the Government ?

[Translation]

SHRI BENI PRASAD VARMA : Sir, according to the available information, the German Telecom company did not contact the Finance Minister who was recently on a visit to Germany to accelerate the progress of privatisation of basic services. In our country, no German Company is a partner in any circle in regard to which the biddings have been held.

[English]

SHRI SURESH PRABHU : The Government is allowing so many foreign companies to come and participate in our country. Similarly, is it the view of the Government that on a reciprocal basis, bilaterally, the companies originating from India would also be allowed to access the foreign markets in the telecom sector in the respective countries? For example, the US companies have been allowed; the French companies have been allowed; the Swiss

companies have also come in. Similarly, would be Indian Government also insist for allowing the Indian companies to access the markets of those countries ?

[Translation]

SHRI BENI PRASAD VARMA : Sir, in pursuance of the Government's policy, foreign participation in basic telecom services would be 49 per cent whereas the share of Indian companies would be 51 per cent. Any company or any country is allowed to enter our market and we are also allowed to enter any global market. In a liberalised economy, there remains no restriction on any country. The restriction which remains is that of equity share which is 49 per cent for foreign companies and 51 per cent for Indian companies.

PROF. RASA SINGH RAWAT : Mr. Speaker, Sir, I through you, want to know whether various telecom public undertakings, be it ITI or Videsh Sanchar Seva Nigam providing infrastructure do ever invite tenders from foreign companies or not ? Public Undertakings like ITI have rendered their vast services to the people by building up infrastructure in the telecom sector but inspite of it, the Government is allowing foreign companies to enter one telecom sector and earn huge profits which should go to our undertakings. Department of Telecommunications is doing tremendous job in our rural areas and therefore I would like to know whether Central Government Undertakings would continue to get more and more incentives from the Government for undertaking various developmental work in rural areas or our rural areas are to be left at the mercy of Videsh Sanchar Seva Nigam by giving it a meagre amount of 10 per cent ? It is justified ? Will our rural areas get only 10 per cent of the total expenditure and huge share of it is likely to go to the foreign companies?

SHRI BENI PRASAD VARMA : Mr. Speaker, Sir, this year we have given much financial assistance to ITI and it is likely to get more relief from us which is under our consideration. They would get all kind of incentives. In respect of the hon. Members question pertaining to the infrastructural facilities, I would like to say that the policy formulated by the Government in this regard would be implemented.

PROF. RASA SINGH RAWAT : Mr. Speaker, Sir, what is that policy ?

MR. SPEAKER : Rawatji, it is enough now, please.

[English]

Financial Crisis in SAIL

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*25. SHRI BASUDEB ACHARIA :
SHRI G.A. CHARAN REDDY :

Will the Minister of STEEL be pleased to state :

(a) whether Steel Authority of India Limited (SAIL) is losing due to fall in sales and heading towards a financial crisis;

(b) if so, the main reasons therefor and the quantum off all recorded in profits are compared to the last two years;

(c) whether the Government have issued any guidelines to check the overhead and the operational costs of SAIL;

(d) if so, the details thereof;

(e) whether the latest performance trend is likely to hit SAIL's \$100 million Yankee bond issue and other debt finance programmes;

(f) if so, the details thereof; and

(g) the remedial measures taken/proposed to be taken to check the losses in SAIL and to improve its performance ?

THE MINISTER OF STEEL AND MINISTER OF MINES (SHRI BIRENDRA PRASAD BAISHYA) : (a) to (g) A Statement is laid on the Table of the Lok Sabha.

Statement

(a) to (g) While the quantity of sales decreased by about 3.4% during 1996-97 as compared to 1995-96, the first quarter of 1997-98 has witnessed an increase in the sales quantity by 4.4% over corresponding quarter of 1996-97. Though the last year was a difficult year for the steel industry yet SAIL made a profit. The details of profit (before tax) for the last three years are as under :

(Rs. in Crores)		
1994-95	1995-96	1996-97
1163	1319	602*

* Subject to CAG audit.

The main reasons for fall in sales include sluggish